

## 7100 Employment Development Department

The Employment Development Department (EDD) promotes California's economic growth by providing services to keep employers, employees, and job seekers competitive. The EDD connects employers with job seekers, administers the Unemployment Insurance, Disability Insurance, and Paid Family Leave programs, and provides employment and training programs under the federal Workforce Investment Act of 1998. Additionally, the EDD collects various employment payroll taxes including the Personal Income Tax, and collects and provides comprehensive economic, occupational, and socio-demographic labor market information concerning California's workforce.

Since department programs drive the need for infrastructure investment, each department has a related capital outlay program to support this need. For the specifics on the EDD's Capital Outlay Program see "Infrastructure Overview."

### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2005-06	2006-07	2007-08	2005-06*	2006-07*	2007-08*
10 Employment and Employment Related Services Program	1,625.9	1,675.0	1,404.0	\$159,011	\$181,852	\$153,065
21 Tax Collections and Benefit Payments Program	5,850.1	5,626.0	5,668.6	8,967,299	10,324,299	10,043,355
22 California Unemployment Insurance Appeals Board	646.9	645.5	631.1	72,053	73,008	74,533
30.01 Administration	734.8	705.6	705.6	52,351	54,971	57,259
30.02 Distributed Administration	-	-	-	-48,734	-51,194	-51,194
50 Employment Training Panel Program	88.2	88.2	88.2	62,508	53,711	53,939
61 Workforce Investment Act Program	241.9	241.9	241.9	428,958	446,761	420,491
62 National Emergency Grant Program	-	-	-	22,119	45,000	45,000
63 Nurse Education Initiative	-	-	-	750	-	-
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>9,187.8</b>	<b>8,982.2</b>	<b>8,739.4</b>	<b>\$9,716,315</b>	<b>\$11,128,408</b>	<b>\$10,796,448</b>
<b>FUNDING</b>				<b>2005-06*</b>	<b>2006-07*</b>	<b>2007-08*</b>
0001 General Fund				\$22,064	\$30,984	\$44,376
0184 Employment Development Department Benefit Audit Fund				12,831	14,473	14,621
0185 Employment Development Department Contingent Fund				74,445	78,751	52,835
0514 Employment Training Fund				67,650	58,791	59,200
0588 Unemployment Compensation Disability Fund				3,985,949	4,649,226	4,519,591
0869 Consolidated Work Program Fund				451,077	486,061	459,791
0870 Unemployment Administration Fund				478,336	521,677	519,311
0871 Unemployment Fund				4,529,562	5,176,629	5,023,681
0908 School Employees Fund				79,211	88,108	80,126
0995 Reimbursements				15,190	23,708	22,916
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$9,716,315</b>	<b>\$11,128,408</b>	<b>\$10,796,448</b>

### LEGAL CITATIONS AND AUTHORITY

#### DEPARTMENT AUTHORITY

Unemployment Insurance Code, Division 1, Chapter 2.

### MAJOR PROGRAM CHANGES

- Automated Collection Enhancement System - The Governor's Budget includes \$2.8 million (\$2.5 million General Fund and \$.3 million various special funds) for the EDD's Automated Collection Enhancement System (ACES), which will improve the EDD's ability to track, collect, and audit the payment of specified employer payroll taxes, including the personal income tax withholding.
- Employment Training Panel - The Governor's Budget includes an increase of \$2.5 million (Employment Training Fund) for the Employment Training Panel to augment its employment training contract program. The Employment Training Panel supports the California economy by ensuring that employers, primarily small businesses, have the trained workers they need to compete in the global economy while providing workers with reasonable wages and secure employment. The Panel prioritizes special economic development initiatives to retain and create high-skilled, high-paying jobs throughout the state.

\* Dollars in thousands, except in Salary Range.

## 7100 Employment Development Department - Continued

- Tax Sharing Ratio Change - The Governor's Budget includes \$13.5 million General Fund and a corresponding decrease of \$13.5 million from various special funds. This adjustment will properly align the EDD's costs for collecting various employment taxes.
- October Revise - The Governor's Budget includes an increase of \$200.6 million (various special funds) in benefit payments and a decrease of \$19.4 million in state operations for the various employment assistance payments that EDD administers.
- Contingent Fund Transfer to the General Fund - Elimination of \$27.1 million Contingent Fund from the Job Services Program with a corresponding transfer to the General Fund. Services similar to those provided through the EDD's Job Services Program are provided to certain specific client groups through the state's CalWORKS Program.

### DETAILED BUDGET ADJUSTMENTS

	2006-07*			2007-08*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Baseline Adjustment Descriptions</b>						
• Tax Sharing Ratio Change	\$-	\$-	-	\$13,500	-\$13,500	-
• Automated Collection Enhancement System (ACES)	-	-	-	2,511	249	-
• Employment Training Panel	-	-	-	-	2,500	-
• Disability Insurance Branch Automation Project, Phase 3	-	-	-	-	1,611	6.3
• October 2006 Revise: DI Local Assistance	-	492,707	-	-	382,003	-
• October 2006 Revise: DI State Operations	-	2,644	36.6	-	5,076	63.4
• October 2006 Revise: School Employees Fund Benefits	-	-	-	-	-	-
• October 2006 Revise: WIA State Operations	-	8,390	-	-	-6,509	-
• October 2006 Revise: WIA Local Assistance	-	-14,085	-	-	-24,085	-
• October 2006 Revise: UI State Operations	-	-16,570	-216.4	-	-18,015	-225.6
• October 2006 Revise: UI Local Assistance	-	3,313	-	-	-157,364	-
• Employee Compensation Adjustments	707	10,231	-	601	8,197	-
• Price Increase	-	-	-	215	5,493	-
• Retirement Rate Contribution	73	4,036	-	73	3,911	-
• SWCAP Adjustment	-	-	-	-	-4,099	-
• Pro Rata Adjustment	-	-	-	-	-9,065	-
• Other Baseline Adjustments	-5	-38,816	-215.1	-5	-40,711	-210.8
• One-Time Cost Reductions	-	-	-	-2,728	-2,133	-
<b>Totals, Baseline Adjustments</b>	<b>\$775</b>	<b>\$451,850</b>	<b>-394.9</b>	<b>\$14,167</b>	<b>\$133,559</b>	<b>-366.7</b>
<b>Policy Adjustment Descriptions</b>						
• Remove Contingent Fund from the Job Services Program	\$-	\$-	-	\$-	-\$27,060	-271.0
<b>Totals, Policy Adjustments</b>	<b>\$-</b>	<b>\$-</b>	<b>-</b>	<b>\$-</b>	<b>-\$27,060</b>	<b>-271.0</b>
<b>TOTALS, BUDGET ADJUSTMENTS</b>	<b>\$775</b>	<b>\$451,850</b>	<b>-394.9</b>	<b>\$14,167</b>	<b>\$106,499</b>	<b>-637.7</b>

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

#### 10 EMPLOYMENT AND EMPLOYMENT RELATED SERVICES PROGRAM

The objective of the Employment and Employment Related Services Program is to provide a variety of services to facilitate a match between employers' needs and job seekers' skills. In addition to providing an Internet labor exchange system, CalJOBS, to facilitate this match, job seeker skills are enhanced through a variety of case-managed programs. These programs are designed to provide specialized services to job seekers needing extra assistance, such as welfare recipients, parolees, veterans, youth, persons with disabilities and long-term unemployed individuals. There are also EDD sponsored Experience Unlimited locations designed for executive, technical, and professional job seekers to assist each other in finding suitable employment.

#### 21 BENEFIT PAYMENTS AND TAX COLLECTIONS PROGRAM

The Unemployment Insurance (UI) and Disability Insurance (DI) programs provide monetary relief to alleviate hardships on California workers who undergo periods of unemployment and to help stabilize the economy.

\* Dollars in thousands, except in Salary Range.

## 7100 Employment Development Department - Continued

The UI program provides short-term income replacement for individuals who are unemployed through no fault of their own.

The DI program minimizes the financial hardships by providing benefits and services to eligible persons with disabilities. The Paid Family Leave program provides benefits to individuals who take time off from work to care for a seriously ill child, spouse, parent, or domestic partner or to bond with a new minor child.

Tax Collections: As one of the largest tax collection agencies in the nation, the EDD works with employers to collect California's employment taxes and data to support the employment security, child support, and personal income tax programs.

### 22 CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD

The California Unemployment Insurance Appeals Board (CUIAB) is a quasi-judicial agency whose primary purpose is to conduct impartial hearings and issue prompt decisions to resolve disputed unemployment and disability determinations and tax liability assessments of the EDD. The CUIAB is committed to providing quality service and access for all customers including persons with disabilities and/or require language assistance while ensuring security and confidentiality of personal data.

The CUIAB operates as a separate entity within EDD. The EDD provides fiscal and some business services support for the CUIAB. The Board consists of seven members, five appointed by the Governor and one each by the Senate Rules Committee and the Speaker of the Assembly. The CUIAB uses two levels of review. First, the Field Operations level is composed of 12 regional offices providing local in-person services across the state. The Appeals Board level reviews appeals from the decisions rendered by field judges. Second, the Board, acting as a whole, may designate its decisions as precedent decisions, which constitute the foundations of the various benefit programs that fall within the Board's jurisdiction. All decisions of the Appeals Board are final except for the filing of an action in Superior Court.

### 50 EMPLOYMENT TRAINING PANEL PROGRAM

The Employment Training Panel (ETP) is an ongoing statewide economic development program that supports the California economy by ensuring that employers, primarily small businesses, have the trained workers they need to compete in the global economy while providing workers with reasonable wages and secure employment. The ETP is a significant economic development tool for business attraction and business retention and works in partnership with business, labor, and government. The ETP, in conjunction with state and local partners, prioritizes special economic development initiatives with the objective of retaining and creating high-skilled, high-paying jobs throughout the state.

### 61 WORKFORCE INVESTMENT ACT PROGRAM

The EDD administers the federal Workforce Investment Act Program, which offers a comprehensive range of workforce development activities through statewide and local organizations. Available workforce development activities provided via One-Stop Career Centers in local communities benefit job seekers and employers, laid-off workers, youth, incumbent workers, new entrants to the workforce, veterans, and persons with disabilities. These activities range from self-assisted access to employment-related information to job skills training programs. The purpose of these activities is to promote an increase in the employment, job retention, earnings and occupational skills improvement by participants.

### 62 NATIONAL EMERGENCY GRANT PROGRAM

The National Emergency Grant (NEG) Program consists of federal Department of Labor funds that are used to respond to a sudden and significant dislocation of workers due to emergencies such as flooding or earthquakes, or major business cutbacks. This authority allows the state to react immediately when the federal government makes this funding available.

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### **DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)**

	2005-06*	2006-07*	2007-08*
<b>PROGRAM REQUIREMENTS</b>			
<b>10 EMPLOYMENT AND EMPLOYMENT RELATED SERVICES PROGRAM</b>			
<b>State Operations:</b>			
0185 Employment Development Department Contingent Fund	\$21,805	\$27,772	\$-
0870 Unemployment Administration Fund	133,175	\$138,469	138,274
0995 Reimbursements	4,031	15,611	14,791
<b>Totals, State Operations</b>	<b>\$159,011</b>	<b>\$181,852</b>	<b>\$153,065</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>21 TAX COLLECTIONS AND BENEFIT PAYMENTS PROGRAM</b>			
<b>State Operations:</b>			
0001 General Fund	\$20,776	\$24,724	\$38,117

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\* Dollars in thousands, except in Salary Range.

## 7100 Employment Development Department - Continued

	2005-06*	2006-07*	2007-08*
0184 Employment Development Department Benefit Audit Fund	12,831	14,473	14,621
0185 Employment Development Department Contingent Fund	50,396	46,775	46,354
0514 Employment Training Fund	5,142	5,080	5,261
0588 Unemployment Compensation Disability Fund	185,779	213,520	205,033
0870 Unemployment Administration Fund	280,837	\$319,646	315,970
0908 School Employees Fund	1,026	938	945
0995 Reimbursements	8,960	7,593	7,622
<b>Totals, State Operations</b>	<b>\$565,747</b>	<b>\$632,749</b>	<b>\$633,923</b>
<b>Local Assistance:</b>			
0588 Unemployment Compensation Disability Fund	\$3,793,805	\$4,427,751	\$4,306,570
0871 Unemployment Fund	4,529,562	5,176,629	5,023,681
0908 School Employees Fund	78,185	87,170	79,181
<b>Totals, Local Assistance</b>	<b>\$8,401,552</b>	<b>\$9,691,550</b>	<b>\$9,409,432</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>22 CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD</b>			
<b>State Operations:</b>			
0001 General Fund	\$538	\$560	\$559
0185 Employment Development Department Contingent Fund	676	703	691
0588 Unemployment Compensation Disability Fund	6,365	7,955	7,988
0870 Unemployment Administration Fund	64,324	\$63,562	65,067
0995 Reimbursements	150	228	228
<b>Totals, State Operations</b>	<b>\$72,053</b>	<b>\$73,008</b>	<b>\$74,533</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>30 ADMINISTRATION</b>			
<b>State Operations:</b>			
0185 Employment Development Department Contingent Fund	\$1,568	\$3,501	\$5,790
0995 Reimbursements	2,049	276	275
<b>Totals, State Operations</b>	<b>\$3,617</b>	<b>\$3,777</b>	<b>\$6,065</b>
<b>ELEMENT REQUIREMENTS</b>			
30.01 Administration	52,351	54,971	57,259
30.02 Distributed Administration	-48,734	-51,194	-51,194
<b>PROGRAM REQUIREMENTS</b>			
<b>50 EMPLOYMENT TRAINING PANEL PROGRAM</b>			
<b>State Operations:</b>			
0514 Employment Training Fund	\$62,508	\$53,711	\$53,939
<b>Totals, State Operations</b>	<b>\$62,508</b>	<b>\$53,711</b>	<b>\$53,939</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>61 WORKFORCE INVESTMENT ACT PROGRAM</b>			
<b>State Operations:</b>			
0869 Consolidated Work Program Fund	\$118,321	\$120,393	\$104,123
<b>Totals, State Operations</b>	<b>\$118,321</b>	<b>\$120,393</b>	<b>\$104,123</b>
<b>Local Assistance:</b>			
0001 General Fund	\$-	\$5,700	\$5,700
0869 Consolidated Work Program Fund	310,637	320,668	310,668
<b>Totals, Local Assistance</b>	<b>\$310,637</b>	<b>\$326,368</b>	<b>\$316,368</b>
<b>PROGRAM REQUIREMENTS</b>			
<b>62 NATIONAL EMERGENCY GRANT PROGRAM</b>			

\* Dollars in thousands, except in Salary Range.

**7100 Employment Development Department - Continued**

		2005-06*	2006-07*	2007-08*
<b>State Operations:</b>				
0869	Consolidated Work Program Fund	\$22,119	\$45,000	\$45,000
<b>Totals, State Operations</b>		<b>\$22,119</b>	<b>\$45,000</b>	<b>\$45,000</b>
<b>PROGRAM REQUIREMENTS</b>				
<b>63</b>	<b>NURSE EDUCATION INITIATIVE</b>			
0001	General Fund	\$750	\$-	\$-
<b>Totals, State Operations</b>		<b>\$750</b>	<b>\$-</b>	<b>\$-</b>
<b>TOTALS, EXPENDITURES</b>				
State Operations		1,004,126	1,110,490	1,070,648
Local Assistance		8,712,189	10,017,918	9,725,800
<b>Totals, Expenditures</b>		<b>\$9,716,315</b>	<b>\$11,128,408</b>	<b>\$10,796,448</b>

**EXPENDITURES BY CATEGORY (Summary By Object)**

1 State Operations	Positions			Expenditures		
	2005-06	2006-07	2007-08	2005-06*	2006-07*	2007-08*
<b>PERSONAL SERVICES</b>						
Authorized Positions (Equals Sch. 7A)	9,187.8	9,805.7	9,805.7	\$450,225	\$492,303	\$498,304
Total Adjustments	-	-392.6	-638.2	-	-7,199	-20,219
Estimated Salary Savings	-	-430.9	-428.1	-	-24,615	-24,915
<b>Net Totals, Salaries and Wages</b>	<b>9,187.8</b>	<b>8,982.2</b>	<b>8,739.4</b>	<b>\$450,225</b>	<b>\$460,489</b>	<b>\$453,170</b>
Staff Benefits	-	-	-	175,823	191,799	192,399
<b>Totals, Personal Services</b>	<b>9,187.8</b>	<b>8,982.2</b>	<b>8,739.4</b>	<b>\$626,048</b>	<b>\$652,288</b>	<b>\$645,569</b>
<b>OPERATING EXPENSES AND EQUIPMENT</b>				\$242,330	\$257,704	\$234,070
<b>SPECIAL ITEMS OF EXPENSE</b>						
Miscellaneous Client Services				\$135,215	\$200,098	\$190,609
Interest on Employer Refunds and Judgments				533	400	400
<b>Totals, Special Items of Expense</b>				<b>\$135,748</b>	<b>\$200,498</b>	<b>\$191,009</b>
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$1,004,126</b>	<b>\$1,110,490</b>	<b>\$1,070,648</b>
<b>2 Local Assistance</b>				<b>Expenditures</b>		
				<b>2005-06*</b>	<b>2006-07*</b>	<b>2007-08*</b>
Grants and Subventions				\$8,712,189	\$10,017,918	\$9,725,800
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>				<b>\$8,712,189</b>	<b>\$10,017,918</b>	<b>\$9,725,800</b>

**DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)**

1 STATE OPERATIONS	2005-06*	2006-07*	2007-08*
<b>0001 General Fund</b>			
<b>APPROPRIATIONS</b>			
001 Budget Act appropriation	\$22,186	\$24,509	\$38,676
Allocation for employee compensation	4	707	-
Adjustment per Section 3.60	-40	73	-
Adjustment per Section 4.75 Statewide Surcharge	-	-5	-
<b>Totals Available</b>	<b>\$22,150</b>	<b>\$25,284</b>	<b>\$38,676</b>
Unexpended balance, estimated savings	-86	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$22,064</b>	<b>\$25,284</b>	<b>\$38,676</b>
<b>0184 Employment Development Department Benefit Audit Fund</b>			
<b>APPROPRIATIONS</b>			

\* Dollars in thousands, except in Salary Range.

## 7100 Employment Development Department - Continued

1 STATE OPERATIONS	2005-06*	2006-07*	2007-08*
001 Budget Act appropriation	\$12,878	\$13,934	\$14,621
Allocation for employee compensation	-	477	-
Adjustment per Section 3.60	-47	64	-
Adjustment per Section 4.75 Statewide Surcharge	-	-2	-
011 Budget Act appropriation (transfer to General Fund)	(282)	(4,898)	(3,895)
Revised expenditure authority per Budget Act language	<u>(7,594)</u>	<u>(103)</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$12,831</b>	<b>\$14,473</b>	<b>\$14,621</b>
<b>0185 Employment Development Department Contingent Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$75,103	\$75,777	\$52,435
Allocation for employee compensation	38	2,254	-
Adjustment per Section 3.60	-565	349	-
Adjustment per Section 4.75 Statewide Surcharge	-	-11	-
Transfer to Legislative Claims (9670)	-149	-18	-
011 Budget Act appropriation (transfer to General Fund)	(12,035)	(10,486)	(31,211)
Revised expenditure authority per Budget Act language	(247)	(-4,261)	-
Unemployment Insurance Code Section 1586	<u>533</u>	<u>400</u>	<u>400</u>
<b>Totals Available</b>	<b>\$74,960</b>	<b>\$78,751</b>	<b>\$52,835</b>
Unexpended balance, estimated savings	<u>-515</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$74,445</b>	<b>\$78,751</b>	<b>\$52,835</b>
<b>0514 Employment Training Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$43,499	\$58,221	\$59,200
Allocation for employee compensation	9	505	-
Adjustment per Section 3.60	-50	73	-
Adjustment per Section 4.75 Statewide Surcharge	-	-8	-
Revised expenditure authority per Budget Act language	<u>24,354</u>	<u>-</u>	<u>-</u>
<b>Totals Available</b>	<b>\$67,812</b>	<b>\$58,791</b>	<b>\$59,200</b>
Unexpended balance, estimated savings	<u>-162</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$67,650</b>	<b>\$58,791</b>	<b>\$59,200</b>
<b>0588 Unemployment Compensation Disability Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$214,488	\$212,067	\$213,021
Allocation for employee compensation	120	5,966	-
Adjustment per Section 3.60	-598	830	-
Adjustment per Section 4.75 Statewide Surcharge	-	-31	-
Transfer to Legislative Claims (9670)	-3	-1	-
Revised expenditure authority per Budget Act language	<u>-5,649</u>	<u>2,644</u>	<u>-</u>
<b>Totals Available</b>	<b>\$208,358</b>	<b>\$221,475</b>	<b>\$213,021</b>
Unexpended balance, estimated savings	<u>-16,214</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$192,144</b>	<b>\$221,475</b>	<b>\$213,021</b>
<b>0869 Consolidated Work Program Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$154,044	\$156,010	\$149,123
Allocation for employee compensation	2	-	-
Adjustment per Section 3.60	-100	-	-
Revised expenditure authority per Budget Act language	19,585	8,390	-
Budget Adjustment	<u>-33,091</u>	<u>993</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$140,440</b>	<b>\$165,393</b>	<b>\$149,123</b>

\* Dollars in thousands, except in Salary Range.

**7100 Employment Development Department - Continued**

<b>1 STATE OPERATIONS</b>	<b>2005-06*</b>	<b>2006-07*</b>	<b>2007-08*</b>
<b>0870 Unemployment Administration Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$577,319	\$570,791	\$519,311
Allocation for employee compensation	718	-	-
Adjustment per Section 3.60	-1,491	2,453	-
Transfer to Legislative Claims (9670)	-8	-73	-
Revised expenditure authority per Budget Act language	-13,260	-16,570	-
Budget Adjustment	<u>-84,942</u>	<u>-</u>	<u>-</u>
<b>Totals Available</b>	<b>\$478,336</b>	<b>\$556,601</b>	<b>\$519,311</b>
Unexpended balance, estimated savings	<u>-</u>	<u>-34,924</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$478,336</b>	<b>\$521,677</b>	<b>\$519,311</b>
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS			
011 Budget Act appropriation (transfer to Unemployment Administration Fund)	(\$586,043)	(\$570,791)	(\$519,311)
Allocation for employee compensation	(718)	(-)	-
Adjustment per Section 3.60	(-1,491)	(2,453)	-
Transfer to Legislative Claims (9670)	(-8)	(-73)	-
Revised expenditure authority per Budget Act language	(-13,260)	(-16,570)	-
Budget Adjustment	(-93,666)	(-)	-
021 Budget Act appropriation (transfer to Consolidated Work Program Fund)	(154,044)	(156,010)	(149,123)
Allocation for employee compensation	(2)	(-)	-
Adjustment per Section 3.60	(-100)	(-)	-
Revised expenditure authority per Budget Act language	(19,585)	(8,390)	-
Budget Adjustment	<u>(-33,091)</u>	<u>(993)</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>
<b>0908 School Employees Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$1,221	\$904	\$945
Allocation for employee compensation	-	31	-
Adjustment per Section 3.60	<u>-2</u>	<u>3</u>	<u>-</u>
<b>Totals Available</b>	<b>\$1,219</b>	<b>\$938</b>	<b>\$945</b>
Unexpended balance, estimated savings	<u>-193</u>	<u>-</u>	<u>-</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$1,026</b>	<b>\$938</b>	<b>\$945</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS			
Reimbursements	<u>\$15,190</u>	<u>\$23,708</u>	<u>\$22,916</u>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$1,004,126</b>	<b>\$1,110,490</b>	<b>\$1,070,648</b>
<b>2 LOCAL ASSISTANCE</b>			
<b>0001 General Fund</b>			
APPROPRIATIONS			
101 Budget Act appropriation	<u>-</u>	<u>\$5,700</u>	<u>\$5,700</u>
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$5,700</b>	<b>\$5,700</b>
<b>0588 Unemployment Compensation Disability Fund</b>			
APPROPRIATIONS			
101 Budget Act appropriation	\$4,109,751	\$3,935,050	\$4,306,570
Transfer to Legislative Claims (9670)	-	-6	-
Revised expenditure authority per Budget Act language	<u>74,166</u>	<u>492,707</u>	<u>-</u>
<b>Totals Available</b>	<b>\$4,183,917</b>	<b>\$4,427,751</b>	<b>\$4,306,570</b>

\* Dollars in thousands, except in Salary Range.

## 7100 Employment Development Department - Continued

2 LOCAL ASSISTANCE	2005-06*	2006-07*	2007-08*
Unexpended balance, estimated savings	-390,112	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$3,793,805</b>	<b>\$4,427,751</b>	<b>\$4,306,570</b>
<b>0869 Consolidated Work Program Fund</b>			
APPROPRIATIONS			
101 Budget Act appropriation	\$334,753	\$334,753	\$310,668
Revised expenditure authority per Budget Act language	-1,262	-14,085	-
Budget Adjustment	-22,854	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$310,637</b>	<b>\$320,668</b>	<b>\$310,668</b>
<b>0871 Unemployment Fund</b>			
APPROPRIATIONS			
101 Budget Act appropriation	\$5,831,228	\$5,258,494	\$5,101,130
Transfer to Legislative Claims (9670)	-5	-9	-
Revised expenditure authority per Budget Act language	-742,117	3,313	-
Budget Adjustment	-469,658	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$4,619,448</b>	<b>\$5,261,798</b>	<b>\$5,101,130</b>
Return to Federal Government (Reimbursement from School Employee Fund)	-89,886	-85,169	-77,449
<b>NET TOTALS, EXPENDITURES</b>	<b>\$4,529,562</b>	<b>\$5,176,629</b>	<b>\$5,023,681</b>
<b>0890 Federal Trust Fund</b>			
APPROPRIATIONS			
101 Budget Act appropriation (transfer to Consolidated Work Program Fund)	(\$334,753)	(\$334,753)	(\$310,668)
Revised expenditure authority per Budget Act language	(-1,262)	(-14,085)	-
Budget Adjustment	(-22,854)	(-)	-
111 Budget Act appropriation (transfer to Federal Unemployment Fund)	(5,831,228)	(5,258,494)	(5,101,130)
Transfer to Legislative Claims (9670)	(-5)	(-9)	-
Revised expenditure authority per Budget Act language	(-742,117)	(3,313)	-
Budget Adjustment	(-469,658)	(-)	-
Return to Federal Government (reimbursement from School Employees Fund)	(-136,597)	(-95,218)	(-77,449)
Revised expenditure authority per Budget Act language	(11,756)	(10,049)	-
Budget Adjustment	(34,955)	(-)	-
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>
<b>0908 School Employees Fund</b>			
APPROPRIATIONS			
101 Budget Act appropriation	\$138,329	\$97,219	\$79,181
Revised expenditure authority per Budget Act language	-46,711	-10,049	-
<b>Totals Available</b>	<b>\$91,618</b>	<b>\$87,170</b>	<b>\$79,181</b>
Unexpended balance, estimated savings	-13,433	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$78,185</b>	<b>\$87,170</b>	<b>\$79,181</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)</b>	<b>\$8,712,189</b>	<b>\$10,017,918</b>	<b>\$9,725,800</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)</b>	<b>\$9,716,315</b>	<b>\$11,128,408</b>	<b>\$10,796,448</b>

### FUND CONDITION STATEMENTS

	2005-06*	2006-07*	2007-08*
<b>0184 Employment Development Department Benefit Audit Fund <sup>§</sup></b>			
BEGINNING BALANCE	\$1	-	-
Prior year adjustments	-1	-	-
Adjusted Beginning Balance	-	-	-
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
150300 Income From Surplus Money Investments	173	\$173	\$173

\* Dollars in thousands, except in Salary Range.

**7100 Employment Development Department - Continued**

	2005-06*	2006-07*	2007-08*
160200 Penalties & Interest on UI & DI Contrib	20,559	19,337	18,343
Transfers and Other Adjustments:			
TO0001 To General Fund per Item 7100-011-0184, Budget Acts of 2005, 2006, and 2007	<u>-7,876</u>	<u>-5,001</u>	<u>-3,895</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$12,856</u>	<u>\$14,509</u>	<u>\$14,621</u>
Total Resources	\$12,856	\$14,509	\$14,621
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:			
0840 State Controller (State Operations)	25	36	-
7100 Employment Development Department (State Operations)	<u>12,831</u>	<u>14,473</u>	<u>14,621</u>
Total Expenditures and Expenditure Adjustments	<u>\$12,856</u>	<u>\$14,509</u>	<u>\$14,621</u>
FUND BALANCE	-	-	-
<b>0185 Employment Development Department Contingent Fund <sup>s</sup></b>			
BEGINNING BALANCE	-	-	-
Prior year adjustments	<u>-\$3,901</u>	-	-
Adjusted Beginning Balance	-\$3,901	-	-
<b>REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS</b>			
Revenues:			
150300 Income From Surplus Money Investments	1,265	\$1,265	\$1,265
160200 Penalties & Interest on UI & DI Contrib	81,726	77,917	76,751
161400 Miscellaneous Revenue	7,894	6,024	6,030
161800 Penalties & Intrst on Personal Income Tx	14,265	13,600	13,397
Transfers and Other Adjustments:			
TO0001 To General Fund per Unemployment Insurance Code Section 1585.5	-14,265	-13,600	-13,397
TO0001 To General Fund per Item 7100-011-0185, Budget Acts of 2005, 2006, and 2007	<u>-12,282</u>	<u>-6,225</u>	<u>-31,211</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$78,603</u>	<u>\$78,981</u>	<u>\$52,835</u>
Total Resources	\$74,702	\$78,981	\$52,835
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:			
0840 State Controller (State Operations)	108	212	-
7100 Employment Development Department (State Operations)	74,445	78,751	52,835
9670 Equity Claims of California Victim Compensation and Government Claims Board and (State Operations)	149	18	-
Total Expenditures and Expenditure Adjustments	<u>\$74,702</u>	<u>\$78,981</u>	<u>\$52,835</u>
FUND BALANCE	-	-	-
<b>0514 Employment Training Fund <sup>N</sup></b>			
BEGINNING BALANCE	\$3,392	\$7,541	\$18,677
Prior year adjustments	<u>24,531</u>	-	-
Adjusted Beginning Balance	\$27,923	\$7,541	\$18,677
<b>REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS</b>			
Revenues:			
215000 Income From Investments	2,699	3,200	3,300
217000 Interest Revenue-Fines and Penalties	39	60	60
221000 Contributions from Fiduciary Funds	84,299	89,900	95,500
299000 Other Contributions	<u>947</u>	<u>50</u>	<u>50</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$87,984</u>	<u>\$93,210</u>	<u>\$98,910</u>
Total Resources	\$115,907	\$100,751	\$117,587
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:			
0840 State Controller (State Operations)	35	67	-

\* Dollars in thousands, except in Salary Range.

**7100 Employment Development Department - Continued**

	2005-06*	2006-07*	2007-08*
5180 Department of Social Services (Local Assistance)	37,930	20,000	35,000
7100 Employment Development Department (State Operations)	67,650	58,791	59,200
7350 Department of Industrial Relations (State Operations)	2,671	3,129	3,128
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	80	87	-
Total Expenditures and Expenditure Adjustments	\$108,366	\$82,074	\$97,328
FUND BALANCE	\$7,541	\$18,677	\$20,259
<b>0588 Unemployment Compensation Disability Fund <sup>N</sup></b>			
BEGINNING BALANCE	\$2,458,015	\$2,972,104	\$1,944,970
Prior year adjustments	17,569	-	-
Adjusted Beginning Balance	\$2,475,584	\$2,972,104	\$1,944,970
<b>REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS</b>			
Revenues:			
215000 Income From Investments	111,562	139,700	97,500
221000 Contributions from Fiduciary Funds (Workers Contributions)	4,315,763	3,443,500	3,705,300
221000 Contributions from Fiduciary Funds (Voluntary Plan Contributions)	50,046	34,500	37,600
299000 Other	5,492	5,000	5,000
Total Revenues, Transfers, and Other Adjustments	\$4,482,863	\$3,622,700	\$3,845,400
Total Resources	\$6,958,447	\$6,594,804	\$5,790,370
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:			
0840 State Controller (State Operations)	391	601	1,037
7100 Employment Development Department			
State Operations	192,144	221,475	213,021
Local Assistance	3,793,805	4,427,751	4,306,570
9670 Equity Claims of California Victim Compensation and Government Claims Board and (State Operations)	3	7	-
Total Expenditures and Expenditure Adjustments	\$3,986,343	\$4,649,834	\$4,520,628
FUND BALANCE	\$2,972,104	\$1,944,970	\$1,269,742
<b>0908 School Employees Fund <sup>N</sup></b>			
BEGINNING BALANCE	\$144,284	\$248,271	\$195,131
Prior year adjustments	189	-	-
Adjusted Beginning Balance	\$144,473	\$248,271	\$195,131
<b>REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS</b>			
Revenues:			
215000 Income From Investments	6,492	10,284	8,279
221000 Contributions From Fiduciary Funds	176,519	24,687	25,249
Total Revenues, Transfers, and Other Adjustments	\$183,011	\$34,971	\$33,528
Total Resources	\$327,484	\$283,242	\$228,659
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:			
0840 State Controller (State Operations)	2	3	4
7100 Employment Development Department			
State Operations	1,026	938	945
Local Assistance	78,185	87,170	79,181
Unemployment Insurance Code Section 826 payments to Department of Education	(1,658)	(1,760)	(1,760)
Unemployment Insurance Code Section 826 Payments to Community College Districts	(210)	(240)	(240)
Total Expenditures and Expenditure Adjustments	\$79,213	\$88,111	\$80,130
FUND BALANCE	\$248,271	\$195,131	\$148,529

\* Dollars in thousands, except in Salary Range.

## 7100 Employment Development Department - Continued

### CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2005-06	2006-07	2007-08	2005-06*	2006-07*	2007-08*
Totals, Authorized Positions	9,187.8	9,805.7	9,805.7	\$450,225	\$492,303	\$498,304
Salary Adjustments	-	-	-	-	8,634	6,073
<b>Workload and Administrative Adjustments:</b>				<b>Salary Range</b>		
Reduction in Authorized Positions:						
Regular Ongoing Positions	-	46.0	-143.0	-	1,946	-7,396
Temporary Help	-	-438.6	-501.8	-	-17,779	-19,334
<b>Totals, Workload &amp; Admin Adjustments</b>	<b>-</b>	<b>-392.6</b>	<b>-644.8</b>	<b>\$-</b>	<b>-\$15,833</b>	<b>-\$26,730</b>
<b>Proposed New Positions:</b>						
Data Processing Manager III	-	-	1.0	\$6,334-6,984	-	80
Senior Programmer Analyst - Specialist	-	-	0.3	\$5,206-6,327	-	21
System Software Specialist II - Tech	-	-	1.3	\$5,196-6,316	-	93
Staff Info System Analyst - Specialist	-	-	0.5	\$4,732-5,754	-	31
Staff Programmer Analyst - Specialist	-	-	2.7	\$4,732-5,754	-	173
System Software Specialist I (CICS)	-	-	0.2	\$4,731-5,753	-	16
Assistant Information System Analyst - Specialist	-	-	0.5	\$2,902-4,363	-	24
<b>Totals, Proposed New Positions</b>	<b>-</b>	<b>-</b>	<b>6.6</b>	<b>\$-</b>	<b>\$-</b>	<b>\$438</b>
<b>Total Adjustments</b>	<b>-</b>	<b>-392.6</b>	<b>-638.2</b>	<b>\$-</b>	<b>-\$7,199</b>	<b>-\$20,219</b>
<b>TOTALS, SALARIES AND WAGES</b>	<b>9,187.8</b>	<b>9,413.1</b>	<b>9,167.5</b>	<b>\$450,225</b>	<b>\$485,104</b>	<b>\$478,085</b>

### INFRASTRUCTURE OVERVIEW

The Employment Development Department (EDD) operates in 192 buildings throughout the state, encompassing approximately 2.8 million square feet. Of these 192 buildings, 15 are state-owned and leased to the EDD, 27 are EDD-owned, and 150 are privately leased. The 27 EDD-owned buildings are located on roughly 45 acres. These facilities allow the EDD to administer the Job Service, Unemployment Insurance, Disability Insurance, and Workforce Investment Act programs.

### DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

3 CAPITAL OUTLAY	2005-06*	2006-07*	2007-08*
<b>0690 Employment Development Department Building Fund</b>			
APPROPRIATIONS			
311 Budget Act appropriation (transfer to Federal Unemployment Fund)	0	\$325	\$325
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$325</b>	<b>\$325</b>
<b>0871 Unemployment Fund</b>			
APPROPRIATIONS			
<b>TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>
Less Funding Provided by Employment Development Department Building Fund	-	-\$325	-\$325
<b>NET TOTALS, EXPENDITURES</b>	<b>\$-</b>	<b>-\$325</b>	<b>-\$325</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Capital Outlay)</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>

\* Dollars in thousands, except in Salary Range.